

Armytage Micro Cap Activist Fund

Information Memorandum

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ARMYTAGE PRIVATE

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PROSPERITY THROUGH PRUDENCE AND PRESCIENCE

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This Information Memorandum

The offer under this Information Memorandum (“IM”) is an offer to subscribe for Units in the Armytage Micro Cap Activist Fund (“Fund”).

This IM has been prepared and issued by Armytage Private Pty Limited ACN 079 960 419 Australian Financial Services Licence (“AFSL”) No. 238519 in its capacity as the fund manager of the Fund (referred throughout this IM as the “Armytage” or “Fund Manager”).

The offer

The offer to subscribe for Units in the Fund is only made to Wholesale Clients receiving this IM in Australia.

This IM does not constitute a direct or indirect offer of securities in the U.S. or to any U.S. Person as defined in Regulation S under the Securities Act of 1933 as amended (“US Securities Act”). MSC Trustees may vary its position and offers may be accepted on merit in MSC Trustees’ discretion. The Units in the Fund have not been, and will not be, registered under the US Securities Act unless otherwise approved by MSC Trustees and may not be offered or sold in the US to, or for, the account of any U.S. Person (as defined) except in a transaction that is exempt from the registration requirements of the US Securities Act and applicable US state securities laws.

The Trustee reserves the right to compulsorily redeem any Units in the Fund in accordance with the Constitution of the Fund including, but not limited to, Units held by U.S. Persons.

This IM is not, and is not required to be, a disclosure document or product disclosure statement within the meaning of the Corporations Act. This IM may not contain the same level of disclosure as those documents and has not been, and is not required to be, lodged with the Australian Securities and Investments Commission (“ASIC”). This IM may not include all of the information that you need to make an investment decision, and you should rely on your own enquiries before making an investment decision.

This IM, including the Application Form, should be read together with the Constitution of the Fund. A copy of the Constitution is available from MSC Trustees by calling 1300 798 790 or +61 3 9050 2000.

What to know before you invest in the Fund

MSC Trustees may amend or withdraw this IM at any time and may issue a new or supplementary IM from time to time.

MSC Trustees has taken all reasonable care to ensure that as at the date of this IM, the information contained in this IM is in accordance with the facts and does not omit anything likely to materially affect the interpretation and accuracy of such information.

An investment in the Fund is subject to investment risks including a possible delay in repayment and loss of income and the principal amount invested. Neither MSC Trustees, Armytage nor their related bodies corporate, associates, officers or affiliates guarantee the performance of the Fund, the return of an investor’s capital or any specific rate of return.

Representations

In making a decision on whether to invest in the Fund, investors should undertake their own due diligence and not rely only on the information contained in this IM. The information in this IM is general information only and does not take into account an

investor’s individual objectives, financial circumstances or requirements. Investors should read this IM in its entirety prior to making a decision to invest and, where appropriate, seek independent professional advice.

MSC Trustees has appointed Armytage as the Fund Manager of the Fund. Armytage has consented to the inclusion in this IM of references to its name, the information in relation to Armytage, and its role in relation to the Fund in the form and context in which it is included.

Apex Fund Services will act as the Custodian to hold the assets of the Fund. The Custodian has no supervisory role in relation to the operation of the Fund and is not responsible for protecting your interests.

The information contained in this IM is correct as at the date of issue.

Further advice recommendation

You should inform yourself as to:

- the possible tax consequences; and
- the legal requirements,

which might be relevant to the subscription, holding, or disposal of Units.

This IM is intended solely for the use of the person to whom it has been delivered (“the Recipient”) for the purpose of evaluating a possible investment by the Recipient in the Units described in this IM, and is not to be reproduced or distributed to any other persons (other than professional advisers of the Recipient).

If you are in any doubt about the contents of this IM, you should consult your professional financial adviser. This IM is not a recommendation to invest.

Unless otherwise indicated, all dollar amounts refer to Australian dollars (“AUD”). References in this IM to “we”, “our”, “us” are to the Trustee. References to “you” or “your” are to eligible investors (and when the context requires, prospective eligible investors) in the Fund.

Directory

Trustee

Melbourne Securities
Corporation Ltd

ACN 160 326 545
AFSL No. 428289
Level 2, 395 Collins Street
Melbourne VIC 3000
Australia

Fund Administrator

Apex Fund Services Pty Ltd
GPO Box 4968
Sydney NSW 2001
Australia

Fund Manager

Armytage Private Pty Ltd
5/30 Collins Street
Melbourne VIC 3000
Australia

1. Fund at a glance

Feature	Summary
Fund	Armytage Micro Cap Activist Fund
Trustee	Melbourne Securities Corporation Ltd ACN 160 326 545
Fund Manager	Armytage Private Pty Ltd
Administrator	Apex Fund Services Pty Ltd
Investment objective	The Fund aims to achieve net returns exceeding 10% p.a. over a rolling 3-year period. ¹
Investment strategy	The Fund will invest primarily in a portfolio of newly established businesses as well as strategic turnaround situations that the Fund Manager believes provide significant growth opportunities and the ability to produce sustainable profits in the long-term. The Fund also attempts to provide low correlation with traditional asset classes and aims to provide investors access to investment opportunities that are traditionally difficult to assess, purchase and manage.
Minimum initial investment	• \$50,000 and above, if the application is supported with an accountant's certificate specifying that the investor meets the criteria of a 'Wholesale Client'; or • \$500,000 and above without a supporting accountant's certificate; or • At the discretion of the Trustee
Minimum additional investment	\$25,000
Minimum withdrawal amount	\$25,000
Minimum balance	\$25,000
Suggested investment horizon	5 years
Significant risks	An investment in the Fund involves a number of risks, including the risk that you may lose some or all of the money that you invest, and there is no guarantee that you will receive any return on your investment. Before investing in the Fund, you should carefully consider the risks associated with an investment in the Fund in section 4. The specific risks of investing in the Fund are linked to: • Capital loss; • Equity securities; • Global investing; • Exchange rates; • Changes in laws and/or tax regimes; • Portfolio concentration; • Capitalisation size of companies; and • Emerging markets. Armytage has implemented risk management procedures that enable it to monitor and measure at any time the risks related to the assets held in the Fund and their contribution to the overall risk profile of the Fund.
Hedging	None

¹ These returns are estimates only, returns are not guaranteed, and investors may lose some or all their capital.

Applications and Withdrawals	Applications and withdrawals are subject to the cut off times set out in the sub-sections headed ‘Applications’ and ‘Withdrawals’ in section 7. Withdrawal proceeds will generally be paid within 5 Business Days of the applicable withdrawal date. However, the Constitution allows MSC Trustees to reject withdrawal requests and also to make payment up to 21 days after acceptance of a request (which may be extended in certain circumstances).
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Feature	Summary
Fees and Expenses	Please refer to section headed ‘Fees and expenses’ in section 5.
Distribution Frequency	Annually

2. Who is managing the Fund

The Fund Manager

Armytage Private Pty Ltd (“Armytage” or “Fund Manager”)

Armytage, established in 1995, has an experienced investment team that has been assembled from a variety of Australian and international financial services fields predominantly in funds management, share-broking, and superannuation and wealth management.

Armytage has managed various mandates in Australian securities for a broad range of wholesale investors. Since Armytage’s inception, it has focused on Australian listed securities (including exchange traded options) and domestic cash. At the date of this PDS Armytage manages in excess of 30 pooled funds and discrete investment mandates.

Armytage has an Investment Committee which comprises experienced investment and financial services professionals. The role of the Investment Committee is to make asset allocation and investment decisions in accordance with investment mandates, review research material and monitor the Fund’s investment portfolio and performance. The Investment Committee has 8 core members with over 200 years combined experience in the industry.

About the Trustee

Melbourne Securities Corporation Ltd

Melbourne Securities Corporation Ltd ACN 160 326 545, part of the MSC Group, is a professional trustee firm, licensed by ASIC under AFSL No. 428289. In its role as trustee of the Fund, MSC Trustees must act in the best interests of investors, including providing regulatory compliance and oversight as required by the Corporations Act and under ASIC guidelines.

In exercising its powers and duties, the Trustee must:

- act honestly and in the best interests of investors at all times;
- exercise a reasonable degree of care and diligence;
- treat investors in the same class of Units equally and investors of separate classes of units fairly;
- not make use of information obtained to gain an improper advantage to cause detriment to unitholders;
- comply with the Constitution and all applicable laws;
- ensure the Fund property is separated from the property of the Fund Manager and other entities; and
- assume ultimate responsibility for any complaints by investors or enquiries by a regulator.

The Trustee also has the obligation to step in and operate the Fund in the event anything happens to the Fund Manager. This includes any impropriety of the Fund Manager or non-compliance with the Investment Management Agreement constituting a termination event.

All bank accounts of the Fund will be held by the Trustee or its appointed custodian on behalf of investors. The Trustee will refer to the Fund’s disclosure documents including this IM, and governing documentation before authorising any transfer of funds required by the Fund Manager. It will also ensure investment decisions comply with Fund terms and the Constitution.

The Trustee is required to meet strict financial guidelines under the Corporations Act and its AFSL conditions, including holding adequate professional indemnity insurance, maintaining minimum net tangible assets and producing regular cash flow projections to ensure it has the financial resources to meet its obligations on an ongoing basis.

In adherence with Corporations Act requirements, MSC Trustees is subject to independent financial and compliance audits on an annual basis.

MSC Trustees has appointed Armytage as the Fund Manager of the Fund pursuant to an Investment Management Agreement.

3. Investment objectives and strategy

Fund overview

The Fund is an Australian domiciled unit trust, that is an unregistered managed investment scheme available for investment by Wholesale Clients.

The Fund is intended to be an open-ended investment but may be closed to new or further investment at the Trustee's discretion (after consultation with Armytage) in accordance with the terms of the Constitution.

Wholesale Clients in the Fund will hold units in the Fund. Investments are intended to be made directly but may be made through a special purpose vehicle. The fund manager of the Fund will be Armytage Private Pty Ltd.

Units in the Fund will not be quoted on the ASX or any other financial market, and there will not be any other secondary market for the Units. Units are priced according to the "Application Price" of a Unit, calculated under the Constitution. Please refer to the "Applications" section for further information.

Investment objective

The Fund aims to achieve net returns that exceed 10% p.a. over a rolling 3-year period.²

The Fund also attempts to provide low correlation with traditional asset classes (such as listed securities) by the Fund Manager engaging with newly established businesses invested in by the Fund with a view to assisting those businesses to optimise their commercial opportunities, thereby potentially providing diversification benefits when held as part of a broader investment portfolio. The Fund aims to provide investors access to investment opportunities that are traditionally difficult to assess, purchase, and manage.

Investment strategy

The Fund will invest primarily in a portfolio of newly established businesses as well as strategic turnaround situations that the Fund Manager believes provide significant growth opportunities and the ability to produce sustainable profits in the long-term.

The target return of individual investments of the Fund will be a return in excess of 10% p.a., which Armytage aims to achieve through a combination of profit optimization/ turnaround growth strategy, and refocused and restructured management. There is no guarantee that this target return objective will be achieved and investors may lose some or all their capital.

The Fund fundamentally differs from traditional equity funds as the Fund Manager aims to engage with businesses on an on-going basis rather than actively seeking a specific exit date or strategy. The Fund may exit investment opportunities if deemed prudent as decided by the Fund Manager and invest any proceeds into new opportunities.

In addition, the Fund Manager will be working with a team of identified and experienced corporate executives (outside of the Fund Manager) to carry out the Fund's investment strategy and to perform the following functions with the investment opportunities:

- Director
- Management consultant
- Corporate advisor

This will be on a case-by-case basis and will not be implemented until the Fund Manager reaches a substantial shareholding in the investment opportunity.

Fund management

The Fund Manager utilises a holistic management approach to ensure the portfolio is well-diversified across industries and businesses.

The Armytage Operations Team will, as far as practicable, work with individual company management to seek to ensure the smooth running of individual portfolio investments. This deep resource provides the Fund Manager the clear air to focus on major strategic initiatives, identifying new opportunities, the top-down attribution mix of the portfolio and creating synergies between companies.

All portfolio investments will have short, medium and long-term targets which will either consider franchising, M&A, capital raising, listing, or the addition of new products or markets. All companies are reviewed at least semi-annually with the Fund Manager recalibrating ambitious growth and optimization targets at each review.

² These returns are estimates only, returns are not guaranteed, and investors may lose some or all their capital.
3449-7146-7811, v. 3

4. Principal risks

Investment in the Fund carries certain risks. All investments have an inherent level of risk. Generally, there is a trade off between higher expected returns for higher expected risk (usually represented by the variability of fund returns).

There is no guarantee that the Fund will achieve its investment objective. Investment in the Fund is not a complete investment program, and you should fully understand and be capable of assuming the risks of investing in the Fund. In deciding whether to invest in the Fund, you should consider that you may lose some or all of your investment, the value of your investment in the Fund will fluctuate with the value of the Fund's underlying investments, you could receive little or no income and there may be delays in repayment.

The Fund utilises principal investment strategies with inherent risks. The following is a list of risks to which the Fund may be subject because of its investment strategies and investment in various types of securities or engagement in various practices.

The following risk factors do not purport to be a complete explanation of all of the risks associated with an investment in the Fund. Each investor has its own particular investment objectives, financial situation and particular needs. As a result, neither MSC Trustees nor Armytage make any representation as to the appropriateness of an investment in the Fund for any investor. Investors should consult their own professional advisers prior to investing in the Fund.

Small and mid-capitalisation companies risk

Investments in small and mid-capitalisation companies may involve greater risks than investments in larger companies, including fewer managerial and financial resources. Stocks of small and mid-size companies may be particularly sensitive to unexpected changes in interest rates, borrowing costs and earnings. As a result of trading less frequently, stocks of small and mid-size companies may also be subject to wider price fluctuations and may be less liquid.

Volatility risk

The volatility of the Fund's investments may be uncorrelated to the performances of the traditional markets of securities. As a consequence, the risk is that the Fund Manager anticipates an increase of the volatility and the volatility lowers or, conversely, the Fund Manager anticipates a reduction in the volatility and the volatility increases.

Market risk

The value of investments may decline over a given time period due to the fluctuation of market risk factors (such as stock prices, interest rates, foreign exchange rates or commodity prices). To varying degrees, market risk affects all securities. Market risk may significantly affect the market price of the Fund's securities and, therefore, the net asset value of the Fund.

Emerging businesses risk

Investment in emerging businesses involves certain risks, such as illiquidity and volatility, which may be greater than those generally associated with investing in developed or mature businesses.

Regulatory risk

The Fund is subject to the laws and tax regime of Australia. Changes to any of those laws and tax regimes, could adversely affect the value of those securities.

Liquidity risk

The Fund may acquire securities that are traded only among a limited number of investors. The limited number of investors for those securities may make it difficult for the Fund to dispose of those securities quickly or in adverse market conditions.

Some stocks, of which the Fund may invest, may prove at times to be insufficiently liquid or illiquid. This affects the market price of the Fund's securities, and therefore, its net asset value.

Furthermore, there is a risk that, because of a lack of liquidity and efficiency in certain markets due to unusual market conditions or unusual high volumes of repurchase requests or other reason, the Fund may experience some difficulties in selling holdings of securities and, therefore, meeting withdrawals in the timeframes indicated in this Information Memorandum.

Portfolio management risk

For the Fund there is a risk that investment techniques or strategies are unsuccessful and may incur losses for the Fund. Investors will have no right or power to participate in the day-to-day management or control of the business of the Fund, nor an opportunity to evaluate the specific investments made by the Fund or the terms of any such investments.

Past performance is not a reliable indicator as to future performance. The nature of, and risks associated with, the Fund's future performance may differ materially from those investments and strategies historically undertaken by the Fund Manager. There can be no assurance that the Fund Manager will realise returns comparable to those achieved in the past or generally available on the market.

Concentration risk

Although the Fund investing in a limited number of stocks has the potential to generate attractive returns over time, it may increase the volatility of the Fund's investment performance as compared to funds that invest in a larger number of stocks. If the stocks in which the Fund invests perform poorly, the Fund could incur greater losses than if it had invested in a larger number of stocks.

Disaster risk

Disasters such as natural phenomena, acts of God and terrorist attacks may impact the Fund and it is not always possible to insure against some of these events. Occurrence of these events could also lead to insurance becoming unavailable for such events in the future, or premiums increasing above levels expected.

General investment risks

In addition to the specific risks identified above, there are also other more general risks that can affect the value of an investment in the Fund. These include the following:

- (a) the state of the Australian and world economies;
- (b) interest rate fluctuations;
- (c) legislative changes (which may or may not have a retrospective effect) including taxation and accounting issues;
- (d) inflation;
- (e) negative consumer sentiment which may keep the value of assets depressed;
- (f) natural disasters and man-made disasters beyond the Trustee's control; and
- (g) the illiquidity and cost of capital markets.

5. Fees and expenses

Management expense

The Fund will incur a management expense of 1.60% p.a. (inclusive of GST and RITC) of the Net Asset Value ("NAV") of the Fund, which is calculated and accrued daily, and paid monthly in arrears. The management expense is the cost of the fees charged by MSC Trustees, the Fund Manager, the Custodian and Administrator and other expenses in respect of the Units offered pursuant to this IM.

The Trustee may also charge any transaction costs to the Fund.

Buy/Sell Spread

0.25%/0.25%

The buy/sell spread reflects the estimated transaction costs incurred in buying or selling assets of the Fund when investors invest in or withdraw from the Fund. The buy/sell spread is an additional cost to the investor but is incorporated into the unit price and incurred when an investor invests in or withdraws from the Fund and is not separately charged to the investor. The buy spread is paid into the Fund as part of an application and the sell spread is left in the Fund as part of a redemption and not paid to MSC Trustees or the Fund Manager. The estimated buy/sell spread is 0.25% upon entry and 0.25% upon exit. The dollar value of these costs based on an application or a withdrawal of \$50,000 is \$125 for each individual transaction. The buy/sell spread can be altered by the Trustee at any time. The Trustee may also waive the buy/sell spread in part or in full at its discretion.

Performance fee

The Fund Manager may also be paid a performance fee of 10% of excess performance over 10% p.a. as measured by increases in NAV (excluding allowance for the performance fee over a period of 12 months commencing on 1 July and ending on 30 June each year (with the first period commencing at the time of commencement of the Fund and the last period ending at the time of termination of the Fund) ("Relevant Period").

The performance fee will be calculated and accrued annually and if a performance fee is payable as at the last day of the Relevant Period, it will be paid to the Fund Manager after the end of that period.

Reimbursable expenses

The Trustee is entitled pursuant to the Fund's Constitution to reimburse itself for all expenses properly incurred in respect of the Fund. Until notified otherwise and with the exception of the management expenses listed above, the Trustee intends to only obtain reimbursement from the Fund for accounting expenses, specific legal and/or tax advice, transaction costs and overdraft costs incurred in respect of the Fund, as well as abnormal expenses (if any). An abnormal expense would, for example, be the cost of holding an investor meeting, which would not necessarily be incurred in any given year.

As many types of reimbursable expenses are of a fixed nature and do not vary depending on the size of the Fund, the total reimbursement in any given year may vary as a percentage of

the Fund's value, depending on whether the Fund's value has increased or decreased during the year and the time at which certain expenses have been incurred.

Fees and the Fund's Constitution

The Fund's Constitution permits the Trustee to charge the following maximum fees:

- a management fee of up to 2% p.a. of the gross asset value of the Fund;
- an entry fee of up to 6% of application money; and
- an exit fee of 6% of a redemption request.

However, with the exception of the management expense of 1.60% p.a. (inclusive of GST less RITC) of the NAV of the Fund set out under 'Management expense' above, the Trustee will not charge these fees during the currency of this IM.

Under the Fund's Constitution, the Trustee may waive, reduce or refund any part of the fees which it is entitled to be paid. Subject to the Corporations Act, written notice will be provided to investors in advance of any variation of fees charged by the Fund.

Transaction and other costs

All government taxes such as stamp duty and GST will be deducted from the Fund as appropriate. RITCs will also be claimed by the Fund where appropriate to reduce the cost of GST to the Fund.

Apportionment of fees and costs

In circumstances where the Trustee issues different classes of Units in the Fund, the fees and costs will generally be apportioned by the Trustee across all Unit classes (on a pro-rata basis, having regard to the value of the assets in the Fund).

However, fees and expenses which are directly referable to a particular class of Units will be charged to investors in that particular class of Units.

Differential fees

The Trustee or Fund Manager may from time to time negotiate a different fee arrangement (by way of a rebate or waiver of fees) with certain investors who are Australian Wholesale Clients.

Can the fees change?

All fees can change without investor consent, subject to the maximum fee amounts specified in the Constitution of the Fund. Reasons might include changing economic conditions and changes in regulation. MSC Trustees have the right to recover all proper expenses incurred in managing the Fund and as such these expenses may increase or decrease accordingly (although it is our intention only to recover the expenses listed in the "Reimbursable expenses" section, unless we notify you otherwise). We will notify investors of any changes to fees and expenses in accordance with the law and the Constitution. The Constitution in some circumstances defines the maximum fees that can be charged for some fees described in this IM.

6. Additional Fund information

Unit pricing

The Unit price is calculated by taking the total value of the Fund's assets at the relevant valuation date, adjusting for any accrued expenses and liabilities of the Fund and then dividing the net value by the total number of Units held by all investors on that day.

The Fund's assets are generally valued daily at their market value as at the close of each market represented in the portfolio, in accordance with the Constitution for the Fund.

However, the Constitution of the Fund also allows for the Trustee to use other valuation methods and policies for different classes of assets, where it determines it to be appropriate. This may occur where the market value for an asset is unreliable or cannot be objectively ascertained at the relevant time. In these circumstances, the fair value of the assets will be determined in accordance with the Fund's pricing policies and procedures which is an amount that an investor might reasonably expect to receive upon its current sale in the ordinary course.

The fair value of an asset depends on a number of relevant factors including the nature of the asset, the initial cost and size of the holding of the asset, the price and trading of similar assets, market quotations from independent pricing sources, and referring the matter to a pricing committee formed to assess these factors.

A copy of the pricing policies and procedures is available by contacting the Fund Administrator, Apex on 1300 133 451.

Cooling off period

No cooling off period applies to Units offered under this IM.

Distribution of income

Income received by the Fund (if any) is distributed at least annually. The income entitlement (when available) is calculated and distributed annually as at 30 June and reported in a distribution statement provided to investors annually.

Under the Fund's Constitution, MSC Trustees may distribute any amount (income or capital) to investors on a pro-rata basis as at a time determined by MSC Trustees other than 30 June. For example, where a large proportion of the Fund is redeemed, MSC Trustees may make a special distribution in order to attempt to minimise the effect of large withdrawals on remaining investors. A distribution will typically comprise your portion of any income (such as interest payments, currency gains or losses and dividends) and any realised capital gains or losses (that is, profits or losses from the sale of investments) that are properly referable to the Fund.

Distributions can be reinvested, or investors can elect to receive their distribution by direct credit. If you fail to nominate an income distribution preference on the Application Form, you will have your distributions automatically reinvested.

You can change the way in which your income distribution is paid by notifying MSC Trustees in writing at least thirty (30) days prior to 30 June of the year in which the distribution will be made.

Attribution Managed Investment Trust ("AMIT") - core rules

The Fund may qualify as an eligible Attribution Managed Investment Trust (AMIT), and if so, intends to elect into the AMIT regime. The AMIT legislation applies an attribution model whereby MSC Trustees as the Trustee of the Fund attributes amounts of trust components of a particular character

to investors on a fair and reasonable basis consistent with the operation of the Fund's Constitution, which includes provisions in relation to AMIT. Under the AMIT rules, the following will apply:

Fair and reasonable attribution: Each year, the Fund's determined trust components of assessable income, exempt income, non-assessable non-exempt income and tax offsets (i.e. credits) will be allocated to investors on a "fair and reasonable" attribution basis, rather than being allocated proportionally based on each investor's present entitlement to the income of the Fund.

Unders or overs adjustments: Where the Fund's determined trust components for a year are revised in a subsequent year (e.g. due to actual amounts differing to the estimates of income, gains / losses or expenses), then unders and overs may arise. Unders and overs will generally be carried forward and adjusted in the year of discovery.

Cost base adjustments: Where the distribution made is less than (or more than) certain components attributed to investors, then the cost base of an investor's units may be increased (or decreased). Details of cost base adjustments will be included on an investor's annual tax statement, referred to as an AMIT Member Annual Statement ("AMMA").

Large withdrawals: In certain circumstances, gains may be attributed to a specific investor, for example, gains on disposal of assets to fund a large withdrawal being attributed to the redeeming investor.

Penalties: In certain circumstances (e.g. failure to comply with certain AMIT rules), specific penalties may be imposed.

The new rules are intended to reduce complexity, increase certainty and reduce compliance costs for managed investment trusts and their investors. Where the Fund does not elect into the AMIT regime, or has made the election but the election is not effective for the income year (e.g. the Fund does not satisfy the requirements to be a managed investment trust for the income year), the Tax Law applicable to non-AMITs should be relevant. In particular, the Fund should not generally pay tax on behalf of its investors and instead, investors should be assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled.

Reporting

Investors will receive a monthly statement detailing the balance of their investment, investor transactions and distributions received. Investors will receive a monthly and quarterly portfolio commentary and review. Investors will also receive a copy of the Fund's annual report, generally within 3 months after the end of each financial year which includes a directors' report and financial report.

Each year you will be sent a tax statement that will indicate the composition of your income from the Fund, including any capital gains, discount capital gains, foreign income, CFC income and foreign tax credits.

Fund Constitution

The Constitution is the legal document under which the Fund is established. The Constitution and the general law set out the legal rules under which the Fund can operate. They define the obligations, duties and investment powers of MSC Trustees and the rights and liabilities of investors. All investors are entitled to the benefit of, and will be bound by, the Constitution as if each investor were a party to the Constitution.

The Constitution covers a number of matters including:

- the determination and payment of distributable income;

- the Trustee's powers, including all the powers of a natural person who is the absolute and beneficial owner of the property of the Fund, and power to appoint delegates and agents;
- the Trustee's indemnity for all liabilities incurred in the proper performance of its duties;
- the ability to create Units of a different class;
- your ability to transfer Units;
- how investor meetings are convened and held;
- the retirement of the Trustee;
- the circumstances in which the Fund may be terminated; and
- how the Constitution may be amended.

A copy of the Constitution is available from MSC Trustees by calling 1300 798 790 or +61 3 9050 2000.

Interests of investors

Each Unit in the Fund gives the holder of that Unit a beneficial interest in the Fund as a whole, but not in any specific part of the Fund or the Fund's assets. Holding Units within the Fund does not give you the right to participate in the management or operation of the Fund.

Investor liability

Your liability as an investor is limited to the amount that you have paid for your Units. However, higher courts have not finally determined the extent of liability of investors in unit trusts.

Classes

The Constitution provides that the Trustee may divide Units into classes. Where Units in the Fund are issued in different classes, the rights and obligations attaching to the Units may vary among the classes, including as to fees, minimum investments, and the ability to withdraw and terms attaching to them.

Duties of the Trustee

MSC Trustees is fully responsible for the operation of the Fund and must comply with all the obligations imposed on it by the Fund's Constitution, the Corporations Act and other applicable laws.

Whilst MSC Trustees is ultimately responsible for the general administration of the Fund, it has outsourced:

- the investment management of the Fund to Armytage and
- the administration of the Fund to Apex Fund Services Pty Ltd ("Apex").

Your privacy

The Australian Privacy Principles contained in the Privacy Act 1988 (Cth) ("Privacy Act") regulate the way in which we collect, use, disclose, and otherwise handle your personal information. MSC Trustees is committed to respecting and protecting the privacy of your personal information, and our Privacy Policy details how we do this.

It is important to be aware that, in order to provide our products and services to you, MSC Trustees may need to collect personal information about you and any other individuals associated with the product or service offering. In addition to practical reasons, this is necessary to ensure compliance with our legal and regulatory obligations (including under the Corporations Act, the AML/CTF Act and taxation legislation). If you do not provide the information requested, we may not be able to process your application, administer, manage, invest, pay or transfer your investment(s).

You must therefore ensure that any personal information you provide to MSC Trustees is true and correct in every detail. If any of this personal information (including your contact details) changes, you must promptly advise us of the changes in writing. While we will generally collect your personal information from you, your broker or adviser or the Fund Manager and Administrator directly, we may also obtain or confirm information about you from publicly available sources in order to meet regulatory obligations.

In terms of how we deal with your personal information, MSC Trustees will use it for the purpose of providing you with our products and services and complying with our regulatory obligations. MSC Trustees may also disclose it to other members of our corporate group, or to third parties who we work with or engage for these same purposes. Such third parties may be situated in Australia or offshore, however we take reasonable steps to ensure that they will comply with the Privacy Act when collecting, using or handling your personal information.

The types of third parties that we may disclose your information to include, but are not limited to:

- stockbrokers, financial advisers or adviser dealer groups, their service providers and/or any joint holder of an investment;
- those providing services for administering or managing the Fund, including the Fund Manager, Custodian and Administrator, the Fund's accountants, or those that provide mailing or printing services;
- our other service providers;
- regulatory bodies such as ASIC, ATO, APRA and AUSTRAC; and
- other third parties who you have consented to us disclosing your information to, or to whom we are required or permitted by law to disclose information to.

MSC Trustees or the Fund Manager may from time to time provide you with direct marketing and/or educational material about products and services they believe may be of interest to you. You have the right to "opt out" of such communications by contacting us using the contact details below.

In addition to the above information, MSC Trustees' Privacy Policy contains further information about how we handle your personal information, and how you can access information held about you, seek a correction to that information, or make a privacy-related complaint.

Full details of MSC Trustees' Privacy Policy are available at <https://www.msc.group/privacy-policy/>. You can also request a copy by contacting MSC Trustees' Privacy Officer on 1300 798 790 or +61 3 9050 2000 or by email: info@msc.group.

Anti-Money Laundering and Counter Terrorism Financing ("AML/CTF")

Australia's AML/CTF laws require MSC Trustees to adopt and maintain a written AML/CTF Program. A fundamental part of the AML/CTF Program is that MSC Trustees must hold up-to-date information about investors (including beneficial owner information) in the Fund.

To meet this legal requirement, we need to collect certain identification information (including beneficial owner information) and documentation ("KYC Documents") from new investors. Existing investors may also be asked to provide KYC Documents as part of an ongoing customer due diligence/verification process to comply with AML/CTF laws. If applicants or investors do not provide the applicable KYC

Documents when requested, MSC Trustees may be unable to process an application, or may be unable to provide products or services to existing investors until such time as the information is provided.

In order to comply with AML/CTF Laws, MSC Trustees may also disclose information including your personal information that it holds about the applicant, an investor, or any beneficial owner, to its related bodies corporate or service providers, or relevant regulators of AML/CTF Laws (whether inside or outside Australia). MSC Trustees may be prohibited by law from informing applicants or investors that such reporting has occurred.

MSC Trustees shall not be liable to applicants or investors for any loss you may suffer because of compliance with the AML/CTF laws.

Complaints resolution

MSC Trustees has a system for dealing with any complaints you may have as an investor. If you have a complaint, please contact the Fund Manager in the first instance.

If the complaint is not satisfied with the Fund Manager's response, then the complaint can be referred to the Trustee, and will be dealt with in accordance with the Trustee's Complaints and Disputes Resolution Policy.

If you are not satisfied with our response to your complaint, you may be able to lodge a complaint with the Australian Financial Complaints Authority ("AFCA").

Contact details are:

Online: www.afca.org.au

Phone: 1800 931 678

Email: info@afca.org.au

Post: GPO Box 3, Melbourne VIC 3001.

The external dispute resolution body is established to assist you in resolving your complaint where you have been unable to do so with us. However, it's important that you contact us first.

Information on underlying investments

Information regarding the underlying investments of the Fund will be provided to an investor in the Fund on request, to the extent MSC Trustees is satisfied that such information is required to enable the investor to comply with its statutory reporting obligations. This information will be supplied within a reasonable timeframe having regard to these obligations.

Related party transactions

The Trustee and its associates are entitled to enter into or be interested on their own account in any transactions entered into on behalf of the Fund or with any company or body in which the Fund is invested or who provides services to the Fund. Any such transactions will be on arm's length commercial terms. The Trustee and its associates are also permitted to hold Units in any capacity.

Foreign Account Tax Compliance Act ("FATCA")

In April 2014, the Australian Government signed an intergovernmental agreement ("IGA") with the United States of America ("U.S."), which requires all Australian financial institutions to comply with the FATCA Act enacted by the U.S. in 2010.

Under FATCA, Australian financial institutions are required to collect and review their information to identify U.S. residents and U.S. controlling persons that invest in assets through non-U.S. entities. This information is reported to the Australian Taxation Office ("ATO"). The ATO may then pass that information onto the U.S. Internal Revenue Service.

In order to comply with the FATCA obligations, we may request certain information from you. Failure to comply with FATCA obligations may result in the Fund, to the extent relevant, being subject to a 30% withholding tax on payment of U.S. income or gross proceeds from the sale of certain U.S. investments. If the Fund suffers any amount of FATCA withholding and is unable to obtain a refund for the amounts withheld, we will not be required to compensate investors for any such withholding and the effect of the amounts withheld will be reflected in the returns of the Fund.

Common Reporting Standard ("CRS")

The CRS is developed by the Organisation of Economic Co-operation and Development and requires certain financial institutions resident in a participating jurisdiction to document and identify reportable accounts and implement due diligence procedures. These financial institutions will also be required to report certain information on reportable accounts to their relevant local tax authorities.

Australia signed the CRS Multilateral Competent Authority Agreement and has enacted provisions within the domestic tax legislation to implement CRS in Australia. Australian financial institutions need to document and identify reportable accounts, implement due diligence procedures and report certain information with respect to reportable accounts to the ATO. The ATO may then exchange this information with foreign tax authorities in the relevant signatory countries.

In order to comply with the CRS obligations, we may request certain information from you. Unlike FATCA, there is no withholding tax that is applicable under CRS.

Non-listing of Units

The Units of the Fund are not listed on any stock exchange and no application will be made to list the Units of the Fund on any stock exchange.

Termination of the Fund

The Trustee may resolve at any time to terminate, liquidate and wind up the Fund in accordance with the Fund's Constitution. The Fund may otherwise terminate if required by law. A notice will be provided to investors advising of the Fund's termination. Upon termination and after conversion of Fund assets into cash and payment of, or provision for, all costs and liabilities (actual and anticipated), the net proceeds will be distributed pro-rata amongst all investors according to the number of Units they hold in the Fund.

Indemnity

MSC Trustees, as the Trustee of the Fund, is indemnified out of the Fund against all liabilities incurred by it in properly performing or exercising any of its powers or duties in relation to the Fund. To the extent permitted by law, this indemnity includes any liability incurred as a result of any act or omission of a delegate or agent appointed by the Trustee. MSC Trustees may retain and pay out any monies in its hands and all sums necessary to affect such an indemnity.

Joint account operation

For joint accounts, each signatory must sign redemption requests. Please ensure both signatories sign the declaration in the Application Form. Joint accounts will be held as joint tenants.

Electronic instructions

If an investor instructs MSC Trustees by electronic means, the investor releases MSC Trustees from and indemnifies MSC Trustees against, all losses and liabilities arising from any payment or action MSC Trustees makes based on any instruction (even if not genuine) that MSC Trustees receives by

an electronic communication bearing the investor's investor code and which appears to indicate to MSC Trustees that the communication has been provided by the investor e.g. a signature which is apparently the investor's and that of an authorised signatory for the investment or an email address which is apparently the investor's. The investor also agrees that neither they nor anyone claiming through them has any claim against MSC Trustees or the Fund in relation to such payments or actions. There is a risk that a fraudulent withdrawal request can be made by someone who has access to an investor's investor code and a copy of their signature or email address. Please take care.

7. Investing in the Fund

Minimum investment/minimum holding

MSC Trustees has imposed a minimum initial investment (refer to table below). You may not subscribe initially or subsequently for less than the amount of the minimum initial investment or minimum additional investment (as applicable) listed in the table below. If you partially transfer or redeem Units and the transfer or redemption would cause the value of your account to fall below the minimum holding amount listed in the table below, MSC Trustees reserves the right to fully redeem your investment balance in the Fund.

Minimum initial	Minimum additional	Minimum holding	Minimum withdrawals
• \$50,000 and above, if the application is supported with an accountant's certificate specifying the investor meets the criteria of a 'Wholesale Client'; or • \$500,000 and above without a supporting accountant's certificate; or • At the Trustee's discretion	\$25,000	\$25,000	\$25,000

Subject to the Fund's Constitution, the Trustee may grant an investor an exemption from the conditions of minimum initial and subsequent investment and minimum holding of Units described below and:

- accept a subscription which amount is below the minimum initial or subsequent investment threshold described in the table; or
- a redemption request which would make the holding of the relevant investor fall below the minimum holding threshold described in the table below.

Written notice is required for initial and subsequent applications and to redeem Units. For more information on applications and withdrawals, please refer to the following information.

Applications

Dealing date: last Business Day of the month

Investors are required to provide Apex with a completed Application Form (together with supporting documentation) by 5pm (Melbourne time) on the Business Day prior to the applicable dealing date. Cleared application funds must also be available in the Fund's application monies bank account by 5pm (Melbourne time) on the applicable dealing date.

We will only start processing an application if:

- we consider that you have correctly completed the Application Form;
- you have provided us with the relevant identification documents if required; and
- we have received the application money (in cleared funds) stated in your Application Form.

We have the discretion to delay processing applications where we believe this to be in the best interest of the Fund's investors.

If the Application Form (and supporting documents) or cleared funds are not received and accepted by those cut-off times, you will receive the Application Price calculated for the next dealing date.

The Application Price on a Business Day is, in general terms, equal to the NAV of the Fund divided by the number of units on issue plus the buy spread. The Application Price will vary as the market value of assets in the Fund rises or falls.

Initial applications can be made by completing the Application Form attached to this IM. Application funds can be submitted by:

Sending the original executed Application Form and supporting documentation to:

Apex Fund Services Pty Ltd
Client Services Registry Team
GPO Box 4968
Sydney, NSW, 2001

A copy may also be faxed to +61 2 9251 3525

Subsequent investments may be made by completing and faxing an Application Form to +61 2 9251 3525.

Under the Fund's Constitution, the Trustee may accept or reject an application, either partly or completely, at its sole discretion.

No interest will be credited to application funds that are received by Apex prior to the relevant dealing date.

Withdrawals

Withdrawal dates

Investors may redeem all or part of their investment in the Fund by completing a Withdrawal Form. The Withdrawal Form is due by 5.00pm (Melbourne time) at least 3 months prior to the relevant proposed Withdrawal Day. Withdrawal Days are the last Business Day of each calendar quarter, i.e. on 31 March, 30 June, 30 September, 31 December or the immediately preceding Business Day in a calendar quarter if the last day of the quarter is not a Business Day.

Completed Withdrawal Forms must be provided to Apex, together with documentation required to verify the person's entitlement to deal in Units (if any), by 5pm (Melbourne time) at least 3 months prior to the relevant Withdrawal Day.

Withdrawals can be effected by EFT to a nominated bank account. Special arrangements may be available for cheque payments. Note that normal bank charges will apply. A Withdrawal Form may not be withdrawn without the consent of the Trustee. Withdrawal proceeds will generally be available within 5 Business Days of the applicable Withdrawal Day, however the constitution allows MSC Trustees to make payment up to 21 days from the redemption date (which may be extended in certain circumstances).

The price at which units are redeemed is determined in accordance with the Constitution ("Withdrawal Price").

The Withdrawal Price on a Business Day is, in general terms, equal to the NAV of the Fund divided by the number of units on issue less the sell spread. The Withdrawal Price will vary as the market value of assets in the Fund rises or falls.

However, where the Trustee receives a Large Withdrawal Request (as defined below), the Trustee has discretion to defer the Withdrawal Price calculation to the next Withdrawal Day following the expiry of 5 Business Days from the date of acceptance of the request.

For these purposes, a Large Withdrawal Request is:

- a redemption request for 5% or more of the gross asset value of the Fund that is received and accepted on a day; or
- a redemption request that is received on a day on which the Trustee receives redemption requests for 5% or more of the gross asset value of the Fund.

MSC Trustees reserves the right to fully redeem your investment if your investment balance in the Fund falls below \$25,000 as a result of processing your redemption request. MSC Trustees is not obliged to satisfy a redemption request but will generally do so unless the Fund is not liquid (as defined in the Corporations Act) or acceptance of the request would result in the Fund ceasing to be liquid. MSC Trustees may also determine to accept a redemption request over a number of Business Days (as determined by it), in which case the redemption request will be taken to be a number of separate requests from the Unitholder over those Business Days and each request will be taken to be in respect of such number of Units as MSC determines.

In certain circumstances, for example, when there is a freeze on withdrawals, where accepting a withdrawal is not in the best interests of investors in the Fund including due to one or more circumstances outside its control or where the Fund is not liquid (as defined in the Corporations Act), MSC Trustees can deny or suspend a withdrawal request and you may not be able to withdraw your funds in the usual processing times or at all. When the Fund is not liquid, an investor can only withdraw when MSC Trustees makes a withdrawal offer to investors in accordance with the Corporations Act. MSC Trustees is not obliged to make such offers.

Transfer of Units

There will not be any established secondary market for the sale of Units. If you want to sell your Units (rather than redeeming them), the Trustee and the Fund Manager may endeavour to assist you; however, they are not required to do so. The Trustee may, at its discretion, refuse to register any transfer of Units.

Facsimile arrangements

Subject to receipt of any documentation required to verify a person's entitlement to deal in Units, MSC Trustees accepts redemption requests by facsimile, provided it has no reason to believe the request is not genuine. MSC Trustees will not accept facsimile requests for cheques made payable to third parties or deposits to bank, building society or credit union accounts which have not been previously nominated by the investor. Facsimile redemption requests must be sent to Apex on +61 2 9251 3525. Conditions apply to the use of the facsimile redemption facility.

By using facsimile instructions, you agree with MSC Trustees, Armytage, the Custodian and Administrator to the following terms and conditions:

- MSC Trustees and Apex are not responsible to you for any fraudulently completed communications that is given or appears to be given by, an investor or prospective investor, and neither MSC Trustees nor Apex will compensate you for any losses in connection with such fraud.
- Should such a fraud take place, you release and will indemnify MSC Trustees and Apex against any liabilities whatsoever arising from our acting on any communication received by fax in respect of your investment.
- MSC Trustees and Apex will only act on completed communications. A transmission certificate from your fax machine is not sufficient evidence that your fax was received. Neither MSC Trustees nor Apex will be liable for any loss or delay resulting from the non-receipt of any transmission.
- These terms and conditions are in addition to any other requirements that may form part of your instructions relating to the completion of a particular authority.

Authorised representative

If you wish to appoint someone else to operate your investment on your behalf, the following conditions apply:

- Your authorised representative can do everything you can do with your investment except appoint another authorised representative.
- To cancel the authorisation of your authorised representative, you must give us seven (7) Business Days' written notice.
- You release and indemnify MSC Trustees and Apex severally from and against all liability which may be suffered by you or by MSC Trustees or brought against MSC Trustees or Apex in Apex respect of any acts or omissions of your authorised representative, whether authorised by you or not.

To appoint an authorised representative, complete the relevant sections of the Application Form. MSC Trustees may require documentation to verify the identity of any authorised representative.

8. Taxation

Investing in a managed investment scheme (such as the Fund) is likely to have tax consequences. You are strongly advised to seek your own professional tax advice about the applicable Australian tax (including income tax, GST and duty) consequences and, if appropriate, foreign tax consequences which may apply to you based on your particular circumstances before investing in the Fund.

The Fund is an Australian resident for tax purposes and does not pay tax on behalf of its members. Australian resident investors are assessed for tax on any income and capital gains generated by the Fund to which they become presently entitled or, where the Fund has made a choice to be an Attribution Managed Investment Trust (AMIT), are attributed to them.

9. Glossary

Administrator

Apex Fund Services Pty Ltd

Armytage or Fund Manager

Armytage Private Pty Ltd ABN 51 079 960 419; AFSL 238519

Business Day

A day other than a Saturday or a Sunday on which banks are open for general banking business in Melbourne or if the administrator of the Fund primarily performs its administrative functions in respect of the Fund in a city other than Melbourne, the city in which the administrator performs such functions.

CFC

Controlled Foreign Company.

Constitution

The deed establishing the Fund dated 13 March 2019 (as amended from time to time).

Corporations Act

Corporations Act 2001 (Cth).

Fund

Armytage Micro Cap Activist Fund

MSC Trustees or Trustee

Melbourne Securities Corporation Ltd ACN 160 326 545; AFSL No. 428289.

RITC

Reduced input tax credits

SEC

U.S. Securities and Exchange Commission

Unit

Unit in the Fund.

US Person

A person so classified under securities or tax law in the United States of America ("US") including, in broad terms, the following persons:

(a) any citizen of, or natural person resident in, the US, its territories or possessions; or

(b) any corporation or partnership organised or incorporated under any laws of or in the US or of any other jurisdiction if formed by a US Person (other than by accredited investors who are not natural persons, estates or trusts) principally for the purpose of investing in securities not registered under the US Securities Act of 1933; or

(c) any agency or branch of a foreign entity located in the US; or

(d) a pension plan primarily for US employees of a US Person; or

(e) a US collective investment vehicle unless not offered to US Persons; or

(f) any estate of which an executor or administrator is a US Person (unless an executor or administrator of the estate who is not a US Person has sole or substantial investment discretion over the assets of the estate and such estate is governed by non-US law) and all the estate income is non-US income not liable to US income tax; or

(g) any trust of which any trustee is a US Person (unless a trustee who is a professional fiduciary is a US Person and a trustee who is not a US Person has sole or substantial investment discretion over the assets of the trust and no beneficiary (or settlor, if the trust is revocable) of the trust is a US Person); or

(h) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a US Person; or

(i) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organised, incorporated or (if an individual) resident in the US for the benefit or account of a US Person.

Wholesale Clients

Has the same meaning as is given to that term in the Corporations Act.